

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice DCP-206

For: State and County Offices

Crop Year 2009 Rice Apportionment

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (2008 Act) was enacted on June 18, 2008. The 2008 Act, Section 1108 provides that the base acres of rice on a farm shall be apportioned to long grain rice and medium grain rice using either of the following methods:

- the 4-year average of the percentages of acreage planted in the applicable State to long grain rice and medium grain rice
- the 4-year average of the percentages of acreage planted or prevented planted (as determined by the Secretary) on the tract to long grain rice and medium grain rice.

Note: Using this method, if rice was not planted on the tract during 1 of the 4 years, the percentages of acreage planted in the applicable State to long grain rice and medium grain rice will be substituted.

The base period for this apportionment includes crop years 2003 through 2006.

B Purpose

This notice provides guidance to State and County Offices on:

- apportioning rice bases acres by June 1, 2009
- accessing reports to assist in the apportionment.

Note: DCP contracts must be enrolled by June 1, 2009, even if the apportionment has not been completed by June 1, 2009.

Disposal Date	Distribution
November 1, 2009	State Offices; State Offices relay to County Offices

2 Rice Apportionment Methods and Limitation

A Rice Apportionment

This apportionment divides the current rice base acres into long grain rice and medium grain rice base acres. The sum of long grain rice and medium grain rice base acres shall be equal to the current rice base acres on each respective tract. The long grain rice and medium grain rice yields shall **not** be increased or decreased on each respective tract because of this apportionment. For the purpose of this apportionment, medium grain rice includes short grain rice. The apportionment will be completed on CCC-748 (Exhibit 1).

B Rice Apportionment Using the Applicable State Average Method

Owners shall apportion their rice base acres based on the 4-year average of the percentages of acreage planted in the applicable State to long grain rice and medium rice during crop years 2003 through 2006. See Exhibit 2 for an example of this apportionment.

All owners on the tract shall agree, by signing CCC-748, to the calculated apportionment of the rice acres. To determine the long grain rice base acreage for the applicable tract for crop year 2009, multiply the long grain rice base acreage on the tract according to the Rice Base Report by the percentage of long grain rice acreage in the applicable State. The remaining acreage of the long grain rice base acreage shall be apportioned to medium grain rice base acreage. See subparagraph 3 A for long grain rice and medium grain rice acres planted and their respective percentages in each State.

The percentages for the State in which the tract is physically located must be used.

C Rice Apportionment Using 4-Year Average of Planted and Prevented Planted Rice

Owners may choose not to use the method in subparagraph B and apportion the rice base acres on the tract by using the 2003 through 2006 crop years average of planted and prevented planted acres of long grain rice and medium grain rice on the tract. See Exhibit 3 for an example of this apportionment.

If this method is used, all owners on the tract shall agree, by signing CCC-748, to use the 2003 through 2006 crop years prevented planted and planted acres of long grain rice and medium grain rice. The 2003 through 2006 crop years acreage history shall be totaled to calculate a percentage of long grain rice. The percentage of long grain rice shall then be multiplied by the long grain rice base acres to determine the long grain rice base for the applicable tract for crop year 2009. The remaining acreage of long grain rice base acres shall be apportioned to medium grain rice acres.

If a tract has zero rice planted any year from crop year 2003 through 2006, the State percentage of long grain rice planted for the year shall be used in the calculation.

Reports are being provided to assist producers in compiling crop years 2003 through 2006 rice planted and prevented planted acres. See paragraph 3. Prevented planted and planted rice acreage totals on resulting farms of a reconstitution are not reflected on any farm reconstituted after crop year 2006.

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2 Rice Apportionment Methods and Limitation (Continued)

D Rice Apportionment Not Made

All owners on farms with rice base acres must complete CCC-748 by **COB June 1, 2009**. County Offices shall complete CCC-748 using the State average method for all remaining farms with rice base acres or incomplete CCC-748's by **COB August 3, 2009**.

Note: CCC-748's completed according to this subparagraph shall be annotated to indicate that no selection was made or all owners did not agree as applicable.

3 Rice Apportionment Information

A States With Rice Base Acres, Acres of Long and Medium Grain Rice, and Percentage of Long and Medium Grain Rice

The following table identifies States with a rice base acreage in crop year 2008, total acres of long grain rice and medium grain rice planted in crop years 2003 through 2006, and the average percentage of long and medium grain rice planted for crop years 2003 through 2006. Acreages from FSA-578 certifications for crop years 2003 through 2006 were used to compute State acreages.

States With Rice Base	Long Grain Rice Planted (2003 Through 2006)	Medium Grain Rice Planted (2003 Through 2006)	Long Grain Rice Percentage	Medium Grain Rice Percentage
Alabama			100.00	
Arkansas	5,519,482.36	524,837.05	91.32	8.68
California	30,319.90	2,133,815.72		100.00
Florida	30,290.50	3.00	100.00	
Illinois	2,732.38	72.90	100.00	
Kentucky	854.70		100.00	
Louisiana	1,882,326.18	49,326.90	97.50	2.50
Mississippi	917,853.70	122.60	100.00	
Missouri	793,380.44	2,935.35	100.00	
Oklahoma	1,218.55		100.00	
South Carolina	372.55		100.00	
Tennessee	6,534.50		100.00	
Texas	739,431.37	4,466.50	100.00	

Note: If the class of rice with the lower acreage comprises of 2 percent or less or is less than 100 acres, the share is zero.

3 Rice Apportionment Information (Continued)

B Rice Base Report

A new **Rice Base Report** has been added to the FFAS Intranet. The Rice Base Report:

- can be accessed at <http://dc.ffasintranet.usda.gov/farmbill/ccc/default.htm>
- lists all crop year 2009 farms and tracts with rice base acreage
- will be used to identify the farms and tracts with rice base acres that must be apportioned.

C Report of Rice P&CP Acreage, 2003 - 2006

A new **Report of Rice P&CP Acreage, 2003 – 2006** has been added to Compliance - 2008 Compliance Reports Menu MEALX0.

The Report of Rice P&CP Acreage, 2003 – 2006 will provide a summary of total acreage reported and certified for medium grain and long grain rice for crop years 2003 through 2006 by “Farm” and “Tract”.

To access the Report of Rice P&CP Acreage, 2003 – 2006, on Menu MEALX0, ENTER “5”, “Report of Rice P&CP Acreage, 2003 -2006”. See Exhibit 4.

The following is an example of Menu MEALX0.

COMMAND	MEALX0	Z1
Compliance - 2008 Compliance Reports Menu		
<ol style="list-style-type: none"> 1. Status Reports (2-CP) * 2. Compliance Data Report (2-CP) * 3. Multiple Fields by Tract Report * 4. Subsequent Covered Commodities after Non-Covered Commodities Report 5. Report of Rice P&CP Acreage, 2003 - 2006 20. Return to Application Primary Menu 21. Return to Application Selection Screen 22. Return to Office Selection Screen 23. Return to Primary Selection Menu 24. Sign Off 		
Cmd3=Previous		*=Option currently not available
Enter option and press “Enter”.		

3 Rice Apportionment Information (Continued)

D Farm Records Management System (FRMS) Changes

FRMS has been modified to convert the crop year 2008 rice base acreage to long grain rice base acres and medium grain rice base acres has been added for the 2009 crop year. Upon completing CCC-748, the County Office must manually adjust the bases in FRMS. County Offices shall use reason code "COC redistribution" for the decrease and corresponding increase of base acreage when adjusting the long grain and medium grain rice base acres.

E Rice Overpayments/Underpayments

The adjustment of rice base acres to long grain and medium grain rice base acres after an advance payment has been issued on rice may result in an overpayment of long grain rice and an underpayment of medium grain rice. County Offices shall follow proper procedure to transfer the long grain rice overpayment to a receivable and offset the medium grain rice payment to the receivable.

Important: Producers should **not** be paid an additional amount or have a debt because of the rice base apportionment.

F CCC-509

CCC-509 may have been enrolled or approved before completing the rice apportionment. In these situations, County Office employees shall:

- attach a copy of the revised CCC-509 to the original CCC-509
- not require signatures on the newly created CCC-509.

Note: If the apportionment of the rice acreage bases results in different shares, the newly created CCC-509 must be signed.

4 Action

A State Office Action

State Office specialist shall ensure rice County Offices are informed of the contents of this notice.

B County Office Action

County Offices shall:

- notify owners of tracts with rice acreage base that an apportionment of their current rice base acres to long grain rice base acres and medium grain rice base acres must be completed
- ensure that crop year 2009 long grain rice and medium grain rice base acreage total crop year 2008 rice base.

CCC-748

A Completing CCC-748

Complete CCC-748 according to the following.

Item	Instruction
1A	Enter the County Office's name and address.
1B	Enter the County Office's telephone number.
2	Enter the State code where CCC-748 is being completed.
3	Enter the county code where CCC-748 is being completed.
4	Enter farm number.
5	Enter tract number.
6A	If using the State average method, enter the State where the tract is physically located. Leave blank if using 4-year average of planted and prevented planted rice.
6B	If using State average method, enter the applicable State percentage identified in subparagraph 3 A. Leave blank if using the 4-year average of planted and prevented planted rice method.
7	Enter the long grain rice base acreage for this tract.
8	Identifies the base years to use if the 4-year average of planted and prevented planted rice method is used.
9	If using the 4-year average of planted and prevented planted rice method, enter the total of planted and prevented planted acres of long grain rice for each year of the base period.
10	If using the 4-year average of planted and prevented planted rice method, enter the total of planted and prevented planted acres of medium grain rice for each year of the base period.
11	For each year, add items 9 and 10.
12	Divide item 9 by item 11 to compute a percentage rounded to 2 decimal places for each year. If there was no rice planted in 1 or more years, enter the State's percentage of long grain rice where the tract is physically located for those years.
13	Total column 12. There should be data in all 4 years.
14	Divide item 13 by "4" and round the result to 2 decimal places.
15	If using the: <ul style="list-style-type: none"> • 4-year average, multiply item 7 by item 14 • State planted percentage, multiply item 6B times item 7.
16	Subtract item 15 from item 7 to calculate the medium grain rice base for the tract.
17A	Enter tract owner's name. All owners are required to be listed.
17B	Participants listed in item 17A or their authorized representative shall sign.
17C	If the individual signing item 17B is signing in a representative capacity for the participant in item 17A, then a title/relationship shall be listed. If the individual in item 17A is the signatory in item 17B, then no entry is required.
17D	The signatory in item 17 B shall enter the date CCC-748 is signed.
18	Preparer shall sign and date.
19	Second party reviewer shall sign and date.

B Example of CCC-748

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CCC-748 (Continued)

B Example of CCC-748 (Continued)

CCC-748 (02-02-09)				Page 2
RICE APPORTIONMENT INFORMATION				
States With Rice Base Acres, Acres of Long and Medium Grain Rice, and Percentage of Long and Medium Grain Rice				
The following table identifies States with a rice base acreage in crop year 2008, total acres of long grain rice and medium grain rice planted in crop years 2003 through 2006, and the average percentages of long and medium grain rice planted for crop years 2003 through 2006. Acreages from FSA-578 certifications for crop years 2003 through 2006 were used to compute States acreages.				
States With Rice Base	Long Grain Rice Planted (2002 Through 2006)	Medium Grain Rice Planted (2003 Through 2006)	Long Grain Rice Percentage	Medium Grain Rice Percentage
Alabama			100.00	
Arkansas	5,519,482.26	524,837.05	91.32	8.68
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South Carolina	372.55		100.00	
Tennessee	6,534.50		100.00	
Texas	739,431.37	4,466.50	100.00	
Note: If the class of rice with the lower average comprises of 2 percent or less or is less than 100 acres, the share is zero.				

Example of Rice Apportionment Using State Average

Using the following information, CCC-748 will be completed as follows:

- FSN 2986 in Arkansas
- Tract 7213
- 137.2 long grain rice acreage base
- owners elect to use the “State average” method.

This form is available electronically. CCC-748 (02-02-09)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		1A. County FSA Office Name and Address (Including Zip Code) Prairie County FSA Office PO Box 526 Hazen, AR 72064	
2009 RICE APPORTIONMENT		1B. County Office Telephone Number (Including Area Code) 870-255-3573			
		2. State Code 05	3. County Code 177	4. Farm Number 2986	5. Tract Number 7213
NOTE: The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246 and any amendments to such act as may follow). The information requested is necessary for CCC to apportion rice to long grain rice and medium grain rice. Failure to furnish the requested information will result in a determination of ineligibility for certain benefit program and other financial assistance programs administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation and Energy Act of 2008, the E-Government Act of 2002, and related authorities. This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of criminal, civil, and privacy statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.					
THIS FORM IS USED TO CALCULATE base acres on tracts that have rice base. For each tract of land that has rice base acres, each owner(s) must apportion their rice base acres by: <ul style="list-style-type: none"> • using the 2003 through 2006 state planted percentage of long grain rice and medium and short grain rice, or • providing to FSA the number of acres of planted or prevented planted rice that is either long grain rice or medium and short grain rice for the 2003 through 2006 crop years. <p>These percentages will be multiplied by the total rice base acres for the tract to calculate long grain rice base acres and medium grain rice base acres. If planted and prevented planted acres are being provided and there are years in which no rice was planted on the tract, the farm owner shall use the percentage planted to long grain rice for the state. Total rice base acres, payment acres, and payment yields shall not be changed because of this apportionment.</p>					
6A. State (If using "State Average" method, enter the State where the tract is physically located) Arkansas		6B. Percentage of Long Grain Rice (Enter applicable State percentage. Leave blank if using 4-year average of planted and prevented planted rice). See Page 2 for list of percentages 91.32 %		7. Number of Rice Base Acres on this Tract 137.2	
8. Crop Year	9. Planted or Prevented Planted Acres of Long Grain Rice (If using the 4-year average)	10. Planted or Prevented Acres of Medium and Short Grain Rice (If using the 4-year average)	11. Total Planted and Prevented Acres of Rice (Sum of Items 9 and 10)	12. Percentage of Long Grain Rice 1/ (Divide Item 9 by Item 11)	
2003				%	
2004				%	
2005				%	
2006				%	
			13. Total of Item 12		
			14. Average (Divide Item 13 by "4" and round to 2 decimal places)	%	
15. Long Grain Rice Base Acres (Item 7 x Item 14, if using the 4-year average or Item 6B x Item 7, if using state planted percentage):		125.3		16. Medium Grain Rice Base Acres (Item 7 minus Item 15)	
17A. Owner's Name Rice Farms		17B. Owner's Signature (By) /s/ Shepard Price		17C. Title/Relationship of the Individual Signing in a Representative Capacity President	17D. Date (MM-DD-YYYY) 02-02-2009
17A. Owner's Name		17B. Owner's Signature (By)		17C. Title/Relationship of the Individual Signing in a Representative Capacity	17D. Date (MM-DD-YYYY)
17A. Owner's Name		17B. Owner's Signature (By)		17C. Title/Relationship of the Individual Signing in a Representative Capacity	17D. Date (MM-DD-YYYY)
17A. Owner's Name		17B. Owner's Signature (By)		17C. Title/Relationship of the Individual Signing in a Representative Capacity	17D. Date (MM-DD-YYYY)
17A. Owner's Name		17B. Owner's Signature (By)		17C. Title/Relationship of the Individual Signing in a Representative Capacity	17D. Date (MM-DD-YYYY)
FOR COUNTY OFFICE USE					
18A. Preparer's Signature /s/ Nancy Program-Tech		18B. Date (MM-DD-YYYY) 02-02-2009		19A. Second Party Reviewer's Signature /s/ Archie CED	
				18C. Date (MM-DD-YYYY) 02-02-2009	
1/ If there was no rice planted in 1 or more years, enter the State's percentage of long grain rice where the tract is physically located for those years.					
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Using the following information, CCC-748 will be completed as follows:

- FSN 2986 in Arkansas
- Tract 7213
- 137.2 long grain rice acreage base
- owners elect to use the “4-year average” method.

Note: Arkansas State percentage was used for 2005 as there was no planted or prevented planted rice.

Example of Report of Rice P&CP Acreage, 2003 – 2006

TEXAS		USDA-FSA		Prepared:	09-02-2008
MEDINA					
Report ID: MEAU18 – R001		Report of Rice P&CP Acreage 2003 – 2006			Page: 1
<u>Farm</u> <u>Number</u>	<u>Tract</u> <u>Number</u>	<u>Crop</u> <u>Year</u>	<u>Medium/Short</u> <u>Grain</u>	<u>Long</u> <u>Grain</u>	<u>Yearly</u> <u>Tract Total</u>